Panel Discussion: Base Realignment and Closure 2005

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Presentation Outline

- Military and federal government presence in Virginia
  - Infrastructure fiscal presence
  - Overview of BRAC
  - State’s Efforts Regarding BRAC
- BRAC 2005
  - Recommendations impacting Virginia
- Response to BRAC 2005
Military Presence In Virginia
Military Presence in Virginia is Significant

- The 2005 Department of Defense (DoD) Base Structure Report identified 2,900 military sites in the United States
  - 283,500 buildings
  - 29 million acres
  - $514 billion replacement value

- The report also identified 88 military sites in Virginia
  - 13,800 buildings
  - 280,000 acres
  - $27 billion replacement value
Selected U.S. Military Sites in Virginia

1. Pentagon/Fort Meyer/Marine HQ
2. Fort Belvoir
3. Quantico Marine Corps base
4. Warrenton Training Center
5. National Ground Intelligence Center
6. Fort AP Hill
7. Dahlgren Complex
8. Surface Combat Systems Center
9. Camp Peary
10. Cheatham Annex
11. NWS Yorktown
12. Fort Eustis
13. Langley Air Force Base
14. Fort Monroe
15. Norfolk Naval Base
16. Little Creek Amphib. Base
17. Fort Story
18. Oceana Naval Air Station
19. Dam Neck Combat Training Ctr.
20. Fentress Auxiliary Landing Field
21. NSA Northwest Annex
22. Norfolk Naval Shipyards
23. Naval Regional Medical Center
24. Fort Norfolk-Corps of Engineers
25. U.S. Joint Forces Command
26. Craney Island Fuel Depot
27. Fort Lee
28. DSC Richmond
29. Fort Pickett
30. Radford Ammunition Plant

Source: Virginia Commission on Military Bases
Military Presence in Virginia is Significant: DoD Employment

- Active duty military and full-time DoD civilian employment nationwide totaled more than 1.7 million in FY 2004
  - California led the nation with over 186,000 active duty military and civilians
- Virginia ranked second with 168,000 active duty military and civilians in FY 2004
- DoD employment losses in Virginia occurred in civilian employment with a 20 percent decline from FY 1994
  - Similar decline in civilian DoD employment nationwide
- Active duty military employment level same as FY 1994 in Virginia

Source: Washington Headquarters Services, Directorate for Information, Operations, and Reports (DIOR)
Virginia DoD Employment by Region, FY 2004

- The Hampton Roads region contains the largest proportion of DoD employment in Virginia
  - Number of large military facilities in the region
- Northern Virginia region ranks second with 31% of Virginia’s DoD employees
  - Pentagon and numerous command headquarters

Source: Virginia Commission on Military Bases
Military Presence in Virginia is Significant: DoD Spending

- Virginia ranked first in defense expenditures among the 50 states on a per-capita basis.
- Federal defense expenditures nationwide totaled more than $340.0 billion in FY 2004:
  - California accounted for the largest share of total expenditures -- $43.3 billion.
- Expenditures in Virginia totaled $39.6 billion (second to CA):
  - About 60 percent of the spending in Virginia ($23.6 billion) was for contracted goods and services.
  - The remainder ($16.0 billion) was for military and DoD civilian personnel payroll.

Source: Virginia Commission on Military Bases
Overview of the Base Realignment and Closure (BRAC) Process
Results of Completed Military Base Closure Processes

- Prior to 1988, there was no formalized process for closing DoD military facilities
  - Moratorium on base closures occurred between 1977 and 1988
- Since 1988, four base realignment and closure (BRAC) rounds authorized and completed
- Annual recurring savings estimated at $7.3 billion

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<tr>
<th>Results of Previous Base Realignments and Closures, 1988 - 1995</th>
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<td>Major Closures</td>
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<td>BRAC 1988</td>
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<td>Total</td>
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Impact of Previous BRACs on Virginia

- In Virginia, BRACs completed in 1988, 1991, 1993, and 1995 resulted in:
  - 22 base facility closures
  - 30 base facility realignments

- Base closures in Virginia included
  - Cameron Station (Alexandria)
  - Vint Hill Farms (Fauquier)
  - Diamond Laboratories (Prince William County)
  - Fort Pickett (Nottoway County)

- Base realignments in Virginia included
  - Norfolk Naval Shipyard (Portsmouth)
  - Defense General Supply Center (Richmond)
  - Naval Sea Systems Command (Arlington)
BRAC 2005

- DoD goals for BRAC 2005
  - Continue force transformation, eliminate excess physical capacity, and promote jointness between service branches

- BRAC 2005 selection criteria
  - Military value
  - Cost savings
  - Impact on communities
  - Ability of infrastructure to support forces
  - Environmental impact

- Statute requires that military value be the primary consideration in developing recommendations
Results of BRAC 2005

- DoD recommended 190 closures or realignments
- In September 2005, BRAC Commission
  - Accepted or amended 177, rejected 13, and proposed 5
- BRAC Commission’s final recommendations included
  - 22 major closures and 33 major realignments
- Commission estimated cost savings to be $4.2 billion annually
- BRAC 2005 recommendations became law on November 9, 2005
Virginia’s Preparation and Response to BRAC 2005
State Response to BRAC 2005

- Virginia Commission on Military Bases (VCOMB) established June 2003 (Executive Order 49)
  - 28 members appointed by Governor
    - Includes members of the General Assembly
- VCOMB duties and objectives include
  - Coordinate activities to support Virginia’s military bases
  - Advocate growth and retention of the state’s military infrastructure
  - Support collaboration among local and regional efforts
  - Assist Virginia’s Congressional Delegation in supporting Virginia’s military infrastructure
- VCOMB is staffed and administered by the Virginia Economic Development Partnership
State Response to BRAC 2005

- 2004 General Assembly approved $1.0 million in the 2004-06 biennium to support local and regional efforts related to BRAC
  - State grants totaling almost $700,000 awarded to 6 regional groups across the state
- In July 2005, Governor proposed setting aside $25 million of the FY 2005 surplus to assist Virginia localities affected by BRAC
- In September 2005, four regional working groups established to address specific BRAC proposals
  - Final recommendations by December 2005